



Reprinted
January 29, 2016

HOUSE BILL No. 1394

DIGEST OF HB 1394 (Updated January 28, 2016 2:52 pm - DI 116)

Citations Affected: IC 20-24; IC 20-25.7; IC 20-28.

Synopsis: Various education matters. Provides that when a school is reconstituted as an innovation network charter school, the innovation network charter school shall give preferential enrollment to students who live in the attendance area. Authorizes a governing body to enter into an agreement with a charter school to reconstitute a traditional school as an innovation network charter school. Provides that an innovation network school may use student growth to determine its category or designation of school improvement for a period of three years. Provides that, if a teacher's contract is canceled, the teacher may request a conference with the superintendent or the assistant superintendent. (Current law provides that the teacher may request a conference with the superintendent.) Provides that a teacher who takes a job with another school corporation after the school year has started is required to give 30 days notice. Requires a charter school to establish and disseminate written discipline rules. Prohibits a charter school from expelling or suspending a student or requesting that a student transfer to another school based on certain characteristics.

Effective: Upon passage; July 1, 2016.

Behning, Moed

January 13, 2016, read first time and referred to Committee on Education.
January 25, 2016, amended, reported — Do Pass.
January 28, 2016, read second time, amended, ordered engrossed.

HB 1394—LS 7073/DI 116



Reprinted
January 29, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1394

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 20-24-3-4, AS AMENDED BY P.L.221-2015,
- 2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 3 JULY 1, 2016]: Sec. 4. (a) An organizer may submit to the authorizer
- 4 a proposal to establish a charter school.
- 5 (b) A proposal must contain at least the following information:
- 6 (1) Identification of the organizer.
- 7 (2) A description of the organizer's organizational structure and
- 8 governance plan.
- 9 (3) The following information for the proposed charter school:
- 10 (A) Name.
- 11 (B) Purposes.
- 12 (C) Governance structure.
- 13 (D) Management structure.
- 14 (E) Educational mission goals.
- 15 (F) Curriculum and instructional methods.
- 16 (G) Methods of pupil assessment.
- 17 (H) Admission policy and criteria, subject to IC 20-24-5.

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- 1 (I) School calendar.
- 2 (J) Age or grade range of students to be enrolled.
- 3 (K) A description of staff responsibilities.
- 4 (L) A description of the physical plant.
- 5 (M) Budget and financial plans.
- 6 (N) Personnel plan, including methods for selection, retention,
- 7 and compensation of employees.
- 8 (O) Transportation plan.
- 9 (P) Discipline program, **subject to IC 20-24-5.5.**
- 10 (Q) Plan for compliance with any applicable desegregation
- 11 order.
- 12 (R) The date when the charter school is expected to:
- 13 (i) begin school operations; and
- 14 (ii) have students attending the charter school.
- 15 (S) The arrangement for providing teachers and other staff
- 16 with health insurance, retirement benefits, liability insurance,
- 17 and other benefits.
- 18 (T) Any other applications submitted to an authorizer in the
- 19 previous five (5) years.
- 20 (4) The manner in which the authorizer must conduct an annual
- 21 audit of the program operations of the charter school.
- 22 (c) In the case of a charter school proposal from an applicant that
- 23 currently operates one (1) or more charter schools in any state or
- 24 nation, the request for proposals shall additionally require the applicant
- 25 to provide evidence of past performance and current capacity for
- 26 growth.
- 27 (d) If the proposal described in subsection (a) concerns an existing
- 28 charter school overseen by a different authorizer than the authorizer to
- 29 which the organizer is submitting the proposal, the proposal must
- 30 include written acknowledgement of the proposal from the current
- 31 authorizer. Additionally, the authorizer receiving the proposal shall
- 32 consult with the current authorizer before granting approval of the
- 33 proposal.
- 34 (e) This section does not waive, limit, or modify the provisions of:
- 35 (1) IC 20-29 in a charter school where the teachers have chosen
- 36 to organize under IC 20-29; or
- 37 (2) an existing collective bargaining agreement for noncertificated
- 38 employees (as defined in IC 20-29-2-11).
- 39 SECTION 2. IC 20-24-5-5, AS AMENDED BY P.L.221-2015,
- 40 SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 41 JULY 1, 2016]: Sec. 5. (a) Except as provided in subsections (b), (c),
- 42 (d), ~~and~~ (e), **and (f)**, a charter school must enroll any eligible student



1 who submits a timely application for enrollment.

2 (b) This subsection applies if the number of applications for a
3 program, class, grade level, or building exceeds the capacity of the
4 program, class, grade level, or building. If a charter school receives a
5 greater number of applications than there are spaces for students, each
6 timely applicant must be given an equal chance of admission. The
7 organizer must determine which of the applicants will be admitted to
8 the charter school or the program, class, grade level, or building by
9 random drawing in a public meeting, **with each timely applicant**
10 **limited to one (1) entry in the drawing.**

11 (c) A charter school may limit new admissions to the charter school
12 to:

- 13 (1) ensure that a student who attends the charter school during a
14 school year may continue to attend the charter school in
15 subsequent years;
- 16 (2) ensure that a student who attends a charter school during a
17 school year may continue to attend a different charter school held
18 by the same organizer in subsequent years;
- 19 (3) allow the siblings of a student who attends a charter school or
20 a charter school held by the same organizer to attend the same
21 charter school the student is attending; and
- 22 (4) allow preschool students who attend a Level 3 or Level 4
23 Paths to QUALITY program (as defined in IC 12-17.2-3.8-1)
24 preschool to attend kindergarten at a charter school if the charter
25 school and the preschool provider have entered into an agreement
26 to share services or facilities.

27 (d) This subsection applies to an existing school that converts to a
28 charter school under IC 20-24-11. During the school year in which the
29 existing school converts to a charter school, the charter school may
30 limit admission to:

- 31 (1) those students who were enrolled in the charter school on the
32 date of the conversion; and
- 33 (2) siblings of students described in subdivision (1).

34 (e) A charter school may give enrollment preference to children of
35 the charter school's founders, governing body members, and charter
36 school employees, as long as the enrollment preference under this
37 subsection is not given to more than ten percent (10%) of the charter
38 school's total population.

39 **(f) A charter school may not suspend or expel a charter school**
40 **student or otherwise request a charter school student to transfer**
41 **to another school on the basis of the following:**

- 42 **(1) Disability.**



- (2) Race.
- (3) Color.
- (4) Gender.
- (5) National origin.
- (6) Religion.
- (7) Ancestry.

A charter school student may be expelled or suspended only in a manner consistent with discipline rules established under IC 20-24-5.5.

SECTION 3. IC 20-24-5.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 5.5. Student Discipline

Sec. 1. A charter school shall:

- (1) establish written discipline rules, which must include a graduated system of discipline and may include:

- (A) appropriate dress codes; and

- (B) if applicable, an agreement for court assisted resolution of school suspension and expulsion cases;

for the charter school; and

- (2) publicize the discipline rules within the charter school where the discipline rules apply, which may include:

- (A) making a copy of the discipline rules available to students or parents, guardians, or custodians of students;
- or

- (B) delivering a copy of the discipline rules to students or parents, guardians, or custodians of students.

The publicity requirement is satisfied if the charter school makes a good faith effort to disseminate the text or substance of the discipline rules to students or parents, guardians, or custodians of students generally.

SECTION 4. IC 20-25.7-4-5, AS ADDED BY P.L.214-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The board shall enter into an agreement with an innovation network team to establish an innovation network school or to reconstitute an eligible school as an innovation network school under section 3 or 4 of this chapter. An innovation network team may consist of or include teachers, a principal, a superintendent, or any combination of these individuals who were employed at the eligible school before the agreement is entered.

- (b) The terms of the agreement must specify the following:

- (1) A statement that the innovation network school is considered



to be part of the school corporation and not considered a separate local educational agency.

(2) A statement that the innovation network team authorizes the department to include the innovation network school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board.

(3) The amount of state and federal funding, including tuition support, and money levied as property taxes that will be distributed by the school corporation to the innovation network school.

(4) The performance goals and accountability metrics agreed upon for the innovation network school.

(5) Grounds for termination of the agreement, including the right of termination if the innovation network team fails to:

(A) comply with the conditions or procedures established in the agreement;

(B) meet generally accepted fiscal management and government accounting principles;

(C) comply with applicable laws; or

(D) meet the educational goals set forth in the agreement between the board and the innovation network team.

(c) If an agreement is entered into under subsection (a), the board shall notify the department that an agreement has been entered into under this section within thirty (30) days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), the department shall, for school years starting after the date of the agreement:

(1) include the innovation network school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board; ~~and~~

(2) treat the innovation network school in the same manner as a school operated by the school corporation when calculating the total amount of state and federal funding to be distributed to the school corporation; ~~and~~

(3) if requested by an innovation network school established under IC 20-25.5-4-2(a)(2) (before its repeal) or IC 20-25.7-4-4(a)(2):

(A) assign a new school identification number; and

(B) may use student growth as its exclusive means to



1 **determine its category or designation of school**
 2 **improvement under 511 IAC 6.2-10-10 for a period of**
 3 **three (3) years.**

4 A school corporation and an innovation network school are not entitled
 5 to any state funding in addition to the amount the school corporation
 6 and school would otherwise be eligible to receive if the innovation
 7 network school were a public school maintained by the school
 8 corporation.

9 SECTION 5. IC 20-25.7-5-2, AS ADDED BY P.L.214-2015,
 10 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 UPON PASSAGE]: Sec. 2. (a) Notwithstanding IC 20-26-7-1, the
 12 board may enter into an agreement with an organizer **to reconstitute**
 13 **an eligible school as a participating innovation network charter**
 14 **school or** to establish a participating innovation network charter school
 15 within a vacant, underutilized, or underenrolled school building, as
 16 determined by the board.

17 (b) The terms of the agreement entered into between the board and
 18 an organizer must specify the following:

19 (1) A statement that the organizer authorizes the department to
 20 include the charter school's performance assessment results under
 21 IC 20-31-8 when calculating the school corporation's performance
 22 assessment under rules adopted by the state board.

23 (2) The amount of state funding, including tuition support, and
 24 money levied as property taxes that will be distributed by the
 25 school corporation to the organizer.

26 (3) The performance goals and accountability metrics agreed
 27 upon for the charter school in the charter agreement between the
 28 organizer and the authorizer.

29 (c) If an organizer and the board enter into an agreement under
 30 subsection (a), the organizer and the board shall notify the department
 31 that the agreement has been made under this section within thirty (30)
 32 days after the agreement is entered into.

33 (d) Upon receipt of the notification under subsection (c), the
 34 department shall, for school years starting after the date of the
 35 agreement:

36 (1) include the participating innovation network charter school's
 37 performance assessment results under IC 20-31-8 when
 38 calculating the school corporation's performance assessment
 39 under rules adopted by the state board; ~~and~~

40 (2) treat the participating innovation network charter school in the
 41 same manner as a school operated by the school corporation when
 42 calculating the total amount of state funding to be distributed to



the school corporation; and

(3) if requested by a participating innovation network school that reconstitutes an eligible school:

(A) assign a new school identification number; and

(B) may use student growth as its exclusive means to determine its category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years.

SECTION 6. IC 20-25.7-5-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 5. (a) IC 20-24-5-5 does not apply to a participating innovation network charter school that enters into an agreement with the board to reconstitute an eligible school with a defined attendance area.**

(b) A participating innovation network charter school that reconstitutes an eligible school with a defined attendance area may limit new admissions to the participating innovation network charter school to:

(1) ensure that any student with legal settlement in the attendance area may attend the charter school;

(2) ensure that a student who attends the participating innovation network charter school during a school year may continue to attend the charter school in subsequent years; and

(3) allow the siblings of a student who attends the participating innovation network charter school to attend the charter school.

(c) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a participating innovation network charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission.

SECTION 7. IC 20-28-7.5-2, AS AMENDED BY P.L.233-2015, SECTION 209, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: **Sec. 2. (a) Before a teacher's contract is canceled, the teacher has the following rights:**

(1) The principal shall notify the teacher of the principal's preliminary decision. The notification must be:

(A) in writing; and

(B) delivered in person or mailed by registered or certified mail to the teacher at the teacher's last known address.

(2) The notice in subdivision (1) must include a written statement,



subject to IC 5-14-3-4, giving the reasons for the preliminary decision.

(3) Notification due to a reduction in force must be delivered between May 1 and July 1.

(b) For a cancellation of a teacher's contract for a reason other than a reduction in force, the notice required under subsection (a)(1) must inform the teacher that, not later than five (5) days after the teacher's receipt of the notice, the teacher may request a private conference with the superintendent **or the assistant superintendent**. The superintendent **or the assistant superintendent, as applicable**, must set the requested meeting not later than ten (10) days after the request.

(c) At the conference between the superintendent **or the assistant superintendent, as applicable**, and the teacher, the teacher may be accompanied by a representative.

(d) After the conference between the superintendent **or the assistant superintendent, as applicable**, and the teacher, the superintendent **or the assistant superintendent, whoever attended the conference**, shall make a written recommendation to the governing body of the school corporation regarding the cancellation of the teacher's contract.

(e) If the teacher does not request a conference under subsection (b), the principal's preliminary decision is considered final.

(f) If a probationary, professional, or established teacher files a request with the governing body for an additional private conference not later than five (5) days after the initial private conference with the superintendent, the teacher is entitled to an additional private conference with the governing body before the governing body makes a final decision. The final decision must be in writing and must be made not more than thirty (30) days after the governing body receives the teacher's request for the additional private conference. At the private conference the governing body shall do the following:

(1) Allow the teacher to present evidence to refute the reason or reasons for contract cancellation and supporting evidence provided by the school corporation. Any evidence presented at the private conference must have been exchanged by the parties at least seven (7) days before the private conference.

(2) Consider whether a preponderance of the evidence supports the cancellation of the teacher's contract.

SECTION 8. IC 20-28-7.5-8, AS AMENDED BY P.L.233-2015, SECTION 211, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) This section does not apply to an individual who works at a conversion charter school (as defined



1 in IC 20-24-1-5) for purposes of the individual's employment with the
2 school corporation that sponsored the conversion charter school.

3 (b) A contract between a school corporation and a teacher is void if
4 the teacher, at the time of signing the contract, is bound by a previous
5 contract to teach in a public school and the contract is entered into **at**
6 **any time during the school year or** less than fourteen (14) days
7 before the day on which the teacher must report for work at that school.
8 However, another contract may be signed by the teacher that will be
9 effective if the teacher:

10 (1) furnishes the principal a release by the first employer; or

11 (2) shows proof that thirty (30) days written notice was delivered
12 by the teacher to the first employer.

13 (c) A principal may request from a teacher, at the time of
14 contracting, a written statement as to whether the teacher has signed
15 another teaching contract. However, the teacher's failure to provide the
16 statement is not a cause for subsequently voiding the contract.

17 **SECTION 9. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred House Bill 1394, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 36 through 39, begin a new line double block indented and insert:

"(B) may use student growth as its exclusive means to determine its category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years."

Page 3, delete lines 41 through 42, begin a new line double block indented and insert:

"(B) may use student growth as its exclusive means to determine its category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years."

Page 4, delete lines 1 through 2.

Page 5, line 2, delete ":".

Page 5, delete line 3.

Page 5, line 4, delete "(13,000) students,".

Page 5, line 4, delete "; or" and insert **"or the assistant superintendent."**

Page 5, delete lines 5 through 7.

Page 5, run in lines 2 through 8.

and when so amended that said bill do pass.

(Reference is to HB 1394 as introduced.)

BEHNING

Committee Vote: yeas 13, nays 0.



HOUSE MOTION

Mr. Speaker: I move that House Bill 1394 be amended to read as follows:

Page 5, line 11, after "superintendent" insert "**or the assistant superintendent, whoever attended the conference,**".

(Reference is to HB 1394 as printed January 26, 2016.)

AUSTIN

HOUSE MOTION

Mr. Speaker: I move that House Bill 1394 be amended to read as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 20-24-3-4, AS AMENDED BY P.L.221-2015, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) An organizer may submit to the authorizer a proposal to establish a charter school.

(b) A proposal must contain at least the following information:

- (1) Identification of the organizer.
- (2) A description of the organizer's organizational structure and governance plan.
- (3) The following information for the proposed charter school:
 - (A) Name.
 - (B) Purposes.
 - (C) Governance structure.
 - (D) Management structure.
 - (E) Educational mission goals.
 - (F) Curriculum and instructional methods.
 - (G) Methods of pupil assessment.
 - (H) Admission policy and criteria, subject to IC 20-24-5.
 - (I) School calendar.
 - (J) Age or grade range of students to be enrolled.
 - (K) A description of staff responsibilities.
 - (L) A description of the physical plant.
 - (M) Budget and financial plans.
 - (N) Personnel plan, including methods for selection, retention, and compensation of employees.
 - (O) Transportation plan.

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(P) Discipline program, **subject to IC 20-24-5.5.**

(Q) Plan for compliance with any applicable desegregation order.

(R) The date when the charter school is expected to:

(i) begin school operations; and

(ii) have students attending the charter school.

(S) The arrangement for providing teachers and other staff with health insurance, retirement benefits, liability insurance, and other benefits.

(T) Any other applications submitted to an authorizer in the previous five (5) years.

(4) The manner in which the authorizer must conduct an annual audit of the program operations of the charter school.

(c) In the case of a charter school proposal from an applicant that currently operates one (1) or more charter schools in any state or nation, the request for proposals shall additionally require the applicant to provide evidence of past performance and current capacity for growth.

(d) If the proposal described in subsection (a) concerns an existing charter school overseen by a different authorizer than the authorizer to which the organizer is submitting the proposal, the proposal must include written acknowledgement of the proposal from the current authorizer. Additionally, the authorizer receiving the proposal shall consult with the current authorizer before granting approval of the proposal.

(e) This section does not waive, limit, or modify the provisions of:

(1) IC 20-29 in a charter school where the teachers have chosen to organize under IC 20-29; or

(2) an existing collective bargaining agreement for noncertificated employees (as defined in IC 20-29-2-11).

SECTION 2. IC 20-24-5-5, AS AMENDED BY P.L.221-2015, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) Except as provided in subsections (b), (c), (d), ~~and~~ (e), **and (f)**, a charter school must enroll any eligible student who submits a timely application for enrollment.

(b) This subsection applies if the number of applications for a program, class, grade level, or building exceeds the capacity of the program, class, grade level, or building. If a charter school receives a greater number of applications than there are spaces for students, each timely applicant must be given an equal chance of admission. The organizer must determine which of the applicants will be admitted to the charter school or the program, class, grade level, or building by



random drawing in a public meeting, **with each timely applicant limited to one (1) entry in the drawing.**

(c) A charter school may limit new admissions to the charter school to:

- (1) ensure that a student who attends the charter school during a school year may continue to attend the charter school in subsequent years;
- (2) ensure that a student who attends a charter school during a school year may continue to attend a different charter school held by the same organizer in subsequent years;
- (3) allow the siblings of a student who attends a charter school or a charter school held by the same organizer to attend the same charter school the student is attending; and
- (4) allow preschool students who attend a Level 3 or Level 4 Paths to QUALITY program (as defined in IC 12-17.2-3.8-1) preschool to attend kindergarten at a charter school if the charter school and the preschool provider have entered into an agreement to share services or facilities.

(d) This subsection applies to an existing school that converts to a charter school under IC 20-24-11. During the school year in which the existing school converts to a charter school, the charter school may limit admission to:

- (1) those students who were enrolled in the charter school on the date of the conversion; and
- (2) siblings of students described in subdivision (1).

(e) A charter school may give enrollment preference to children of the charter school's founders, governing body members, and charter school employees, as long as the enrollment preference under this subsection is not given to more than ten percent (10%) of the charter school's total population.

(f) A charter school may not suspend or expel a charter school student or otherwise request a charter school student to transfer to another school on the basis of the following:

- (1) Disability.**
- (2) Race.**
- (3) Color.**
- (4) Gender.**
- (5) National origin.**
- (6) Religion.**
- (7) Ancestry.**

A charter school student may be expelled or suspended only in a manner consistent with discipline rules established under



IC 20-24-5.5.

SECTION 3. IC 20-24-5.5 IS ADDED TO THE INDIANA CODE AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]:

Chapter 5.5. Student Discipline

Sec. 1. A charter school shall:

(1) establish written discipline rules, which must include a graduated system of discipline and may include:

(A) appropriate dress codes; and

(B) if applicable, an agreement for court assisted resolution of school suspension and expulsion cases;

for the charter school; and

(2) publicize the discipline rules within the charter school where the discipline rules apply, which may include:

(A) making a copy of the discipline rules available to students or parents, guardians, or custodians of students; or

(B) delivering a copy of the discipline rules to students or parents, guardians, or custodians of students.

The publicity requirement is satisfied if the charter school makes a good faith effort to disseminate the text or substance of the discipline rules to students or parents, guardians, or custodians of students generally."

Renumber all SECTIONS consecutively.

(Reference is to HB 1394 as printed January 26, 2016.)

SMITH V

